Exhibit B

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2006

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]**

For the transition period from to

Commission File Number	Registrant; State of Incorporation; Address and Telephone Number	IRS Employer Identification No.
1-14764	**Cablevision Systems Corporation** Delaware 1111 Stewart Avenue Bethpage, NY 11714 (516) 803-2300	**11-3415180**
1-9046	**CSC Holdings, Inc.** Delaware 1111 Stewart Avenue Bethpage, NY 11714 (516) 803-2300	**11-2776686**

Securities registered pursuant to Section 12(b) of the Act: Name of each Exchange on which Registered:
Title of each class:

Cablevision Systems Corporation Cablevision NY Group Class A Common Stock	New York Stock Exchange
CSC Holdings, Inc.	None

Securities registered pursuant to Section 12(g) of the Act:

Cablevision Systems Corporation	None
CSC Holdings, Inc.	None

Indicate by check mark if the Registrants are well-known seasoned issuers, as defined in Rule 405 of the Securities Act.

Cablevision Systems Corporation	Yes ☐ No ☒
CSC Holdings, Inc.	Yes ☐ No ☒

Indicate by check mark if the Registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Cablevision Systems Corporation	Yes ☐ No ☒
CSC Holdings, Inc.	Yes ☐ No ☒

Indicate by check mark whether the Registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrants were required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Cablevision Systems Corporation	Yes ☐ No ☒
CSC Holdings, Inc.	Yes ☐ No ☒

Indicate by a check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrants' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Cablevision Systems Corporation	___
CSC Holdings, Inc.	___

Indicate by check mark whether each Registrant is a large accelerated filer, accelerated filer or non-accelerated filer (as defined in Exchange Act Rule 12b-2).

	Large accelerated filer		**Accelerated filer**		**Non-accelerated filer**	
Cablevision Systems Corporation	Yes ☒	No ☐	Yes ☐	No ☐	Yes ☐	No ☐
CSC Holdings, Inc.	Yes ☐	No ☐	Yes ☐	No ☐	Yes ☒	No ☐

Indicate by check mark whether the Registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act).

Cablevision Systems Corporation	Yes ☐ No ☒
CSC Holdings, Inc.	Yes ☐ No ☒

Aggregate market value of the voting and non-voting common equity held by non-affiliates of Cablevision Systems Corporation computed by reference to the price at which the common equity was last sold on the New York Stock Exchange as of June 30, 2006: $4,707,474,927

Number of shares of common stock outstanding as of February 22, 2007:

Cablevision NY Group Class A Common Stock—	229,121,577
Cablevision NY Group Class B Common Stock—	63,327,303
CSC Holdings, Inc. Common Stock—	11,595,635

Documents incorporated by reference — Cablevision Systems Corporation intends to file with the Securities and Exchange Commission, not later than 120 days after the close of its fiscal year, a definitive proxy statement or an amendment to this report containing the information required to be disclosed under Part II, Item 5 and Part III of Form 10-K filed under cover of Form 10-K/A.

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* Some or all of these items are omitted because Cablevision intends to file with the Securities and Exchange Commission, not later than 120 days after the close of its fiscal year, a definitive proxy statement or an amendment to this report containing the information required to be disclosed under Part II, Item 5 and Part III of Form 10-K filed under cover of Form 10-K/A.

Item 6. Selected Financial Data

The operating and balance sheet data included in the following selected financial data have been derived from the consolidated financial statements of Cablevision and CSC Holdings. The selected financial data presented below should be read in conjunction with the audited consolidated financial statements of Cablevision and CSC Holdings and the notes thereto included in Item 8 of this Report.

	Cablevision Systems Corporation Years Ended December 31,				
	2006	2005	2004	2003	2002
	(Dollars in thousands, except per subscriber, per unit and per share data)				
Operating Data:					
Revenues, net	$5,927,462	$5,172,478	$4,632,537	$4,017,283	$ 3,664,365
Operating expenses:					
Technical and operating (excluding depreciation, amortization and impairments shown below)	2,707,970	2,296,908	2,191,247	1,859,994	1,664,441
Selling, general and administrative	1,480,187	1,291,845	1,184,682	1,093,755	900,593
Other operating income	—	—	(95,758)	(4,758)	—
Restructuring charges (credits)	(3,484)	(537)	(835)	10,725	74,091
Depreciation and amortization (including impairments)	1,128,813	1,083,643	1,138,675	1,042,496	862,671
Operating income	613,976	500,619	214,526	15,071	162,569
Other income (expense):					
Interest expense, net	(891,015)	(748,078)	(712,708)	(604,802)	(485,316)
Equity in net income (loss) of affiliates	6,698	3,219	(12,997)	428,753	(41,691)
Gain (loss) on sale of cable assets and programming and affiliate interests, net	—	64,968	2,232	(13,644)	—
Gain (loss) on investments, net	290,052	(138,312)	134,598	235,857	(881,394)
Write—off of deferred financing costs	(14,083)	—	(18,961)	(388)	(6,931)
Gain (loss) on derivative contracts, net	(253,712)	119,180	(165,305)	(208,323)	924,037
Loss on extinguishment of debt	(13,125)	—	(78,571)	—	(17,237)
Minority interests	(8,894)	(5,471)	(50,307)	(116,777)	(201,853)
Miscellaneous, net	2,837	651	63	3,726	(5,644)
Loss from continuing operations before income taxes	(267,266)	(203,224)	(687,430)	(260,527)	(553,460)
Income tax benefit (expense)	134,217	75,691	201,397	(23,534)	77,100
Loss from continuing operations	(133,049)	(127,533)	(486,033)	(284,061)	(476,360)
Income (loss) from discontinued operations, net of taxes	7,446	216,853	(185,476)	(22,351)	572,422
Income (loss) before extraordinary item	(125,603)	89,320	(671,509)	(306,412)	96,062
Extraordinary loss on investment, net of taxes	—	—	(7,436)	—	—
Income (loss) before cumulative effect of a change in accounting principle	(125,603)	89,320	(678,945)	(306,412)	96,062
Cumulative effect of a change in accounting principle, net of taxes	(862)	—	—	—	—
Net income (loss)	$ (126,465)	$ 89,320	$ (678,945)	$ (306,412)	$ 96,062

deferred carriage fees and which are amortized as a reduction to revenue over the period of the related subscriber guarantee, or to waive or accept lower subscriber fees if certain additional subscribers are provided. We also may help fund the distributors' efforts to market our channels or we may permit distributors to offer limited promotional periods without payment of subscriber fees. As we continue our efforts to add subscribers, our subscriber revenue may be negatively affected by subscriber acquisition fees (deferred carriage), discounted subscriber fees and other payments; however, we believe that these transactions generate a positive return on investment over the contract period. We seek to increase our advertising revenues by increasing the number of minutes of national advertising and by increasing rates for such advertising, but, ultimately, the level of our advertising revenues is directly related to the overall distribution of our programming, penetration of our services, and the popularity (including within desirable demographic groups) of our services as measured by rating services.

The principal goals in this segment are to increase our affiliation fee revenues and our advertising revenues by increasing distribution and penetration of our national services. To do this we must continue to contract for and produce high-quality, attractive programming. Our greatest challenge arises from the increasing concentration of subscribers in the hands of a few cable television systems and DBS operators because of the disparate bargaining power between us and the largest cable television systems and DBS operators. This increased concentration could adversely affect our ability to increase the penetration of our services or even result in decreased penetration. In addition, this concentration gives those operators greater leverage in negotiating the price and other terms of affiliation agreements. Moreover, as a result of this concentration, the potential impact of a loss of any one of our major affiliates would have a significant impact on this segment.

Madison Square Garden

Madison Square Garden which accounted for 14% of our consolidated revenues for the year ended December 31, 2006, consists of professional sports teams (principally the New York Knicks of the National Basketball Association ("NBA") and the New York Rangers of the National Hockey League ("NHL"), along with the Hartford Wolf Pack of the American Hockey League and the New York Liberty of the Women's National Basketball Association), the MSG Networks sports programming business, and an entertainment business. It also operates the Madison Square Garden Arena, Radio City Music Hall, the Hartford Civic Center and Rentschler Field (sports and entertainment venues in Connecticut), and effective January 1, 2007, the Beacon Theater in New York City. Madison Square Garden faces competitive challenges unique to these activities. We derive revenues in this segment primarily from the MSG Networks (see below), the sale of tickets, including luxury box rentals, to sporting and entertainment events, from rental rights fees paid to this segment by promoters that present events at our entertainment venues and the sports teams' share of league-wide distributions of national television rights fees and royalties. We also derive revenue from the sale of advertising at our owned and operated venues, from food, beverage and merchandise sales at these venues and from the licensing of our trademarks. MSG Networks derives its revenues from affiliate fees paid by cable television providers (including our cable television systems), satellite providers that provide video service and sales of advertising. This segment's financial performance is related to the performance of all the teams presented and the attractiveness of its entertainment events.

Our sports teams' financial success is dependent on their ability to generate advertising sales, paid attendance, luxury box rentals, and food, beverage and merchandise sales. To a large extent, the ability of the teams to build excitement among fans, and therefore produce higher revenue streams, depends on the teams' winning performance, which generates regular season and playoff attendance and luxury box rentals, and which also supports increases in prices charged for tickets, luxury box rentals, and advertising placement. Each team's success is dependent on its ability to acquire highly competitive personnel. The governing bodies of the NBA and the NHL have the power and authority to take certain actions that they deem to be in the best interest of their respective leagues, which may not necessarily be consistent with maximizing our professional sports teams' results of operations.

Selling, general and administrative expenses increased $39,851 (12%) for 2006 compared to 2005. The net increase is attributable to the following:

Increase in share-based compensation expenses (includes the effects of adopting Statement No. 123R effective January 1, 2006)	$19,160
Increase in administrative costs, including corporate allocations	10,421
Increase in expenses relating to Cablevision's long-term incentive plan	5,341
Net increase in selling, marketing and advertising costs primarily related to marketing and promotional activities	4,929
	$39,851

As a percentage of revenues, selling, general and administrative expenses increased 2% in 2006 compared to 2005.

Depreciation and amortization (including impairments) decreased $6,873 (6%) for 2006 as compared to 2005. The net decrease was comprised of approximately $4,963 resulting from the impairment of certain intangibles during the second quarter of 2005, a decrease of approximately $3,585 attributable to the MetroChannel business, which shut down two of its three channels in the second quarter of 2005, and a decrease of approximately $1,237 due to the transfer of certain intangibles to another operating segment in the second quarter of 2005. Partially offsetting these decreases was an increase of approximately $2,912 resulting primarily from depreciation of new fixed assets.

Madison Square Garden

The table below sets forth, for the periods presented, certain historical financial information and the percentage that those items bear to net revenues for Madison Square Garden.

	Years Ended December 31				
	2006		2005		Increase (Decrease) in Operating Income
	Amount	% of Net Revenues	Amount	% of Net Revenues	
Revenues, net	$ 854,040	100%	$ 804,395	100%	$ 49,645
Technical and operating expenses (excluding depreciation and amortization)	606,566	71	518,773	64	(87,793)
Selling, general and administrative expenses	189,310	22	169,018	21	(20,292)
Restructuring charges	—	—	366	—	366
Depreciation and amortization	60,160	7	62,834	8	2,674
Operating income (loss)	$ (1,996)	—%	$ 53,404	7%	$ (55,400)

The dependence of this segment's revenues on its sports teams and Christmas shows generally make it seasonal with a disproportionate share of its revenues and operating income being derived in the fourth quarter of each year.